

# Livermore Area Recreation and Park District Staff Report

---

TO: Chair Pierpont and Board of Directors

FROM: Mathew Fuzie, General Manager

PREPARED BY: Jeffrey Schneider, Administrative Services Manager

DATE: June 9, 2021

SUBJECT: Renew Special Tax 97-1 and set the new rate for Fiscal Year 2021-22

---

**RECOMMENDATION:** That the Board of Directors approve Resolution No. \_\_\_\_\_ to renew Special Tax 97-1 and set the Equivalent Dwelling Unit (EDU) rate at \$37.16 for Fiscal Year (FY) 2021-22, a 2%, or \$0.72 increase per EDU over the FY 2020-21 rate of \$36.44.

**BACKGROUND:** Special Tax 97-1 is the ballot measure approved by the voters of the District in June, 1997, replacing an assessment district that had been in place for three years. The revenue is to be used only for maintenance and operation of park facilities. The original measure allows the District to increase the tax by up to 2% per EDU per year.

The purpose of Special Tax 97-1 is to help recover some of the revenue lost by the District when the State shifted nearly half of the District's property taxes to the Educational Revenue Augmentation Fund (ERAF) in 1992. For FY 2021-22, assuming a 3% increase in property tax revenues (consistent with the District's FY21-22 Budget - no estimates are currently available from the County), approximately \$10,875,000 of LARPD's previous tax base will be shifted to the State of California for ERAF, which represents 49% of the District's projected property tax revenue (if the ERAF funds had remained with the District) for FY21-22. By June 30, 2022, the cumulative, nominal dollars shifted to ERAF will amount to approximately \$175.4 Million.

The Special Tax 97-1 rate for FY 2020-21 of \$36.44 per Equivalent Dwelling Unit (EDU), approved by the Board of Directors on June 24, 2020, will generate tax revenue to the District of approximately \$1,648,000 for FY 2020-21. Note: there are approximately 45,225 EDUs for FY 2020-21, an increase of 561 compared to FY 2019-20.

**FISCAL IMPACT:** A 2% increase (\$0.72 per EDU) would raise the rate to \$37.16 per EDU for FY 2021-22 and the resulting increase in revenues will amount to \$32,600, though we have made adjustments for properties coded by the County as Rural Property Used For Agriculture that will reduce the budget by approximately \$65,000. Thus, the FY21-22 budget for revenue from 97-1 fees of \$1,616,600 is actually down by \$32,400 versus FY 2020-21. There will be additional

revenue generated by new EDUs that are added during FY2021-22, but we are unable to confidently estimate this amount and thus have built a budget for FY21-22 that assumes no increase in the number of EDUs. Note: at the budgeted amount, 97-1 Revenues for FY21-22 will cover about 39% of the District's annual operating expenses for Park Operations.

Attachment: 97-1 Resolution

**IN THE BOARD OF DIRECTORS  
OF THE  
LIVERMORE AREA RECREATION AND PARK DISTRICT**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION RENEWING SPECIAL TAX 97-1 AND SETTING THE EQUIVALENT  
DWELLING UNIT RATE FOR FISCAL YEAR 2021-22**

***BE IT RESOLVED***, that the Board of Directors, as the governing body of the Livermore Area Recreation and Park District, hereby renews Special Tax 97-1 and sets the Equivalent Dwelling Unit Rate at \$37.16 for Fiscal Year 2021-22.

***ON MOTION*** of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing resolution was passed and adopted this 9<sup>th</sup> day of June, 2021, by the following roll call vote:

**AYES:**  
**NOES:**  
**ABSTENTIONS:**  
**ABSENT:**

Approved this 9<sup>th</sup> day of June, 2021,

\_\_\_\_\_  
Philip Pierpont  
Chair, Board of Directors

ATTEST:

\_\_\_\_\_  
Mathew Fuzie  
General Manager and ex-officio Clerk  
to the Board of Directors